

EX PARTE OR LATE FILED



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October 31, 1994

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, D. C. 20554

RECEIVED

OCT 31 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

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Re: Ex Parte Correspondence
CC Docket No. 94-1
Price Cap Performance Review for Local Exchange Carriers

Dear Mr. Caton:

On Monday, October 31, 1994, I provided Mr. Mark Uretsky with the attached information, in response to his request.

In accordance with Section 1.1206(a)(1) of the Commission's Rules, two (2) copies of this Notice are being submitted to the Secretary of the FCC on the date of the meeting.

Sincerely,

Bruce K. Cox

Attachment

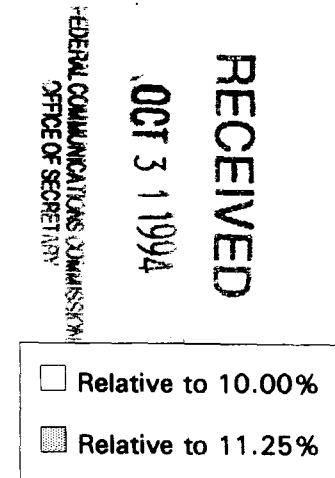
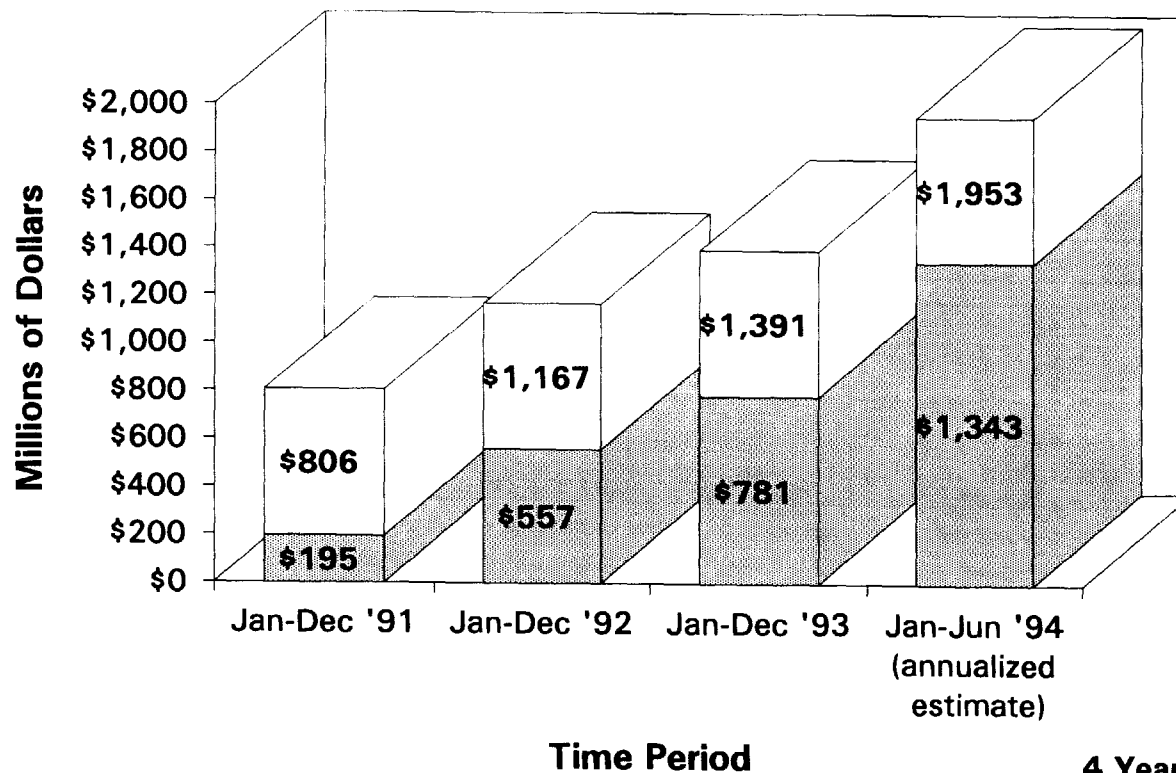
cc: Mr. Mark Uretsky

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Recycled Paper

ANNUAL EXCESS PAYMENTS TO PRICE CAP LECs RELATIVE TO 11.25% AND 10.00% COST OF CAPITAL



4 Year Cumulative Excess Payments:
\$2.9 B relative to 11.25% cost of capit
\$5.3 B relative to 10.00% cost of capit

SHEET1.XLS

| TIER 1 PRICE CAP COMPANIES-RoR 1991 THROUGH 2094 | | | | | |
|--|--|--------------|--|--------------|--|
| 1991 | | | | | |
| TIER 1* RATE OF RETURN | | | | | |
| ARMIS 43-01 DATA | | 2Q91 | | 4Q91 | |
| | | ACCESS | | ACCESS | |
| | | +IX | | +IX | |
| AVERAGE NET INVESTMENT | | \$29,275,338 | | \$28,991,090 | |
| RETURN | | \$1,816,016 | | \$3,440,156 | |
| RATE OF RETURN (%) | | 12.41% | | 11.47% | |
| 1992 | | | | | |
| TIER 1* RATE OF RETURN | | | | | |
| ARMIS 43-01 DATA | | 2Q92 | | 4Q92 | |
| | | ACCESS | | ACCESS | |
| | | +IX | | +IX | |
| AVERAGE NET INVESTMENT | | \$29,516,304 | | \$30,455,843 | |
| RETURN | | \$1,983,424 | | \$3,826,035 | |
| RATE OF RETURN (%) | | 13.51% | | 12.56% | |
| 1993 | | | | | |
| TIER 1* RATE OF RETURN | | | | | |
| ARMIS 43-01 DATA | | 2Q93 | | 4Q93 | |
| | | ACCESS | | ACCESS | |
| | | +IX | | +IX | |
| AVERAGE NET INVESTMENT | | \$29,873,912 | | \$30,915,595 | |
| RETURN | | \$2,005,396 | | \$3,998,387 | |
| RATE OF RETURN (%) | | 13.38% | | 12.83% | |
| 1994 | | | | | |
| TIER 1* RATE OF RETURN | | | | | |
| ARMIS 43-01 DATA | | ACCESS | | ACCESS | |
| | | +IX | | +IX | |
| AVERAGE NET INVESTMENT | | \$30,264,797 | | NA | |
| RETURN | | \$2,216,469 | | NA | |
| RATE OF RETURN (%) | | 14.65% | | NA | |
| *PRICE CAP ONLY | | | | | |